DRAFT REGULATIONS GOVERNING THE
PROVISION OF DEDICATED SERVICES
FOR CONNECTION TO PUBLIC AND PRIVATE
COMMUNICATIONS FACILITIES WITHIN
THE STATE OF ARIZONA

APPROVED FOR FILING

DECISION #: <u>61942</u>

Effective: 9-17-99

CHECK SHEET

The pages of this draft tariff are effective as of the date shown. The original and revised sheets named below contain all changes **from** the original draft tariff and are in effect on the date shown.

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PRELIMINARY STATEMENT

This draft tariff sets forth the service offering, rates, terms and conditions applicable to the furnishing of local services and special access services (including high capacity and other private line services) by DIECA Communications, Inc. in the State of Arizona.

The rates, rules, terms and conditions herein apply for service provided throughout the service area of DIECA Communications, Inc. as defined in this draft tariff.

The rates and rules contained herein are subject to change pursuant to the rules and regulations of the Arizona Corporation Commission.

This draft tariff shall be maintained in its currently effective form and made available for inspection by any Customer at DIECA Communications, Inc.'s business office, c/o Covad Communications Company, at 2330 Central Expressway, Santa Clara, CA 95050. DIECA Communications, Inc. shall hereinafter sometimes be referred to as the Company.

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1. <u>EXPLANAITON OF SYMBOLS. REFERENCE MARKS. AND</u> ABBREVIATIONS OF TECHNICAL TERMS USED IN THIS DRAFT TARIFF'

The following symbols shall be used in this draft tariff for the purposes indicated below:

- (C) To signify a changed regulation.
- (D) To signify discontinued rate or regulation.
- (I) To signify an increased rate.
- (M) To signify a move in the location of text.
- (N) To signify a new rate or regulation.
- (R) To signify a reduced rate.
- (K) To signify that material has been transferred to another sheet or place on the draft tariff.
- (T) To signify a change in text but no change in rate or regulation.
- (O) To signify no change.

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2. **DEFINITIONS**

Certain terms used generally throughout this draft tariff are described below.

<u>Access Lines:</u> A Telephone facility which permits access to and **from** both the Customers premises and the telephone exchange or serving central office.

Add/Drop Multiplexing: A multiplexing function that allows lower level signals to be added or dropped from an Optical Carrier (OC) channel.

<u>Agent</u>: A business representative, whose function is to bring about, modify, affect, accept performance of, or terminate contractual obligations between a CLC, its applicants or Customers.

<u>Applicant</u>: A person who applies for telecommunications service. Includes persons seeking reconnection of their service <u>after</u> Company-initiated termination.

Application: A request made orally or in writing for telecommunications service.

<u>Auxiliary Line Service:</u> Auxiliary line service is additional individual line service furnished to supplement the main individual line service of a Customer.

<u>Building</u>: A structure under one roof and of such a nature that it can in itself fulfill the requirements of a business or residence establishment, or both; or two or more structures that are connected by means of enclosed passageways (overhead bridges, subways, or a ground level) or common basements, permitting access from one building to the other, that are suitable for the routing, placing, and proper protection of inside cable and wire type facilities. In no case can conduit be considered an enclosed passageway.

<u>Business Service</u>: Determination as to whether or not Customer's service should be classified as Business Service will be based on the character or use to be made of the service. The practice of advertising a telephone number in newspapers, business cards, or on trucks shall be a contributing, but not an exclusive factor in determining the **classification** of service. Service will be classified as Business service where the use is primarily or substantially of a business, professional, institutional, or otherwise occupational nature.

<u>CLC</u>: A competitive Local Exchange Carrier.

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Central Office Area: The area within which Customers' lines are connected to the central office established by the Company to serve that area. More than one central office may be located in the same building.

Central Office: A switching unit in a telephone system which provides service to the general public, having the necessary equipment and operating arrangements for terminating and interconnecting Customer lines and trunks or trunks only. There may be more than one central office in a building or exchange.

Channel: A path (or paths) for electrical communication between two or more stations or telephone company offices and furnished in such a manner as the telephone company may elect.

Class of Service: The various categories of service generally available to the Customer, such as business, residential, public or semipublic service.

Commission: Arizona Corporation Commission

Company: DIECA Communications, Inc.

Connecting Arrangement: The equipment provided by the Company to accomplish the direct connection of Customer-provided facilities with the facilities of the Company; or facilities of the Company with other facilities of the Company.

Cost: The cost of labor and materials, which includes appropriate amounts to cover the Company's general operating and administrative expenses.

Construction Charge: A separate nonrecurring charge made for the construction of facilities in excess of those contemplated under the rates quoted in this draft tariff.

Continuous Property: Continuous property is defined as plot of ground, together with any buildings thereon, occupied by the Customer; which is not separated by public thoroughfares or by property occupied by others.

Contract: The agreement between a Customer and the Company under which service and facilities are furnished in accordance with the applicable provisions of the draft tariffs.

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<u>Customer:</u> A person, firm or corporation which orders service and is responsible for the payment of charges and compliance with terms and conditions of this draft tariff.

<u>Customer-Provided Eauinment:</u> All communications systems, devices, apparatus and their associate wiring, provided by Customer.

Date of Presentation: Postmark date on billing envelope.

<u>Disconnect</u> <u>Notice</u>: The written notice sent to a Customer following billing, notifying him that his service will be discontinued if charges are no satisfied by the date specified on the notice.

<u>Draft Tariff</u> The rates, charges, rules and regulations adopted and filed by the Company with the Commission.

<u>Dron Wire:</u> Wires between an open wire lead or aerial or underground cable terminal and the point of entrance to the premises in which the Customer's telecommunications service is located. The drop wire terminates in the protector or its equivalent.

<u>End Office:</u> The term "end office" denotes the LEC switching system office or serving wire center where Customer station loops are terminated for purposes of interconnection to each other and/or to trunks.

<u>Entrance Facilities:</u> Facilities extending **from** the point of entrance on private property to the premises on which service is furnished.

<u>Facilities:</u> Includes, in the aggregate or otherwise, but is not limited to, the following:

channels lines
apparatus devices
equipment accessories
communications paths systems

which are provided by the Company and utilized by it in the **furnishing** of telecommunications services or which are provided by a Customer and used for telecommunications purposes.

<u>Facilities-Based CLC:</u> A CLC which directly owns controls, operates, or manages conduits, ducts, poles, wires, cables, instruments, switches, appurtenances, or appliances

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in connection with or to facilitate communications within the local exchange portion of the public switched network.

<u>Fiber Optic Cable:</u> A thin filament of glass with a protective outer coating through which a light beam carrying communications signals may be transmitted by means of multiple internal reflections to a receiver, which translates the message.

<u>Individual Case Basis (ICB)</u>: A service arrangement in which the regulations, rates and charges are developed based on the specific circumstances of the case.

<u>Installation Charge:</u> A nonrecurring charge made at the time of installation of communications service which may apply in place of or in addition to service charges and other applicable charges for service or equipment.

<u>Interface</u>: The term "Interface" denotes that point on the premises of the Customer at which provision is made for connection of other than Company provided facilities to facilities provided by the Company.

<u>Interface Eauinment</u>: Equipment provided by the Company at the interface location to accomplish the direct electrical connection of facilities provided by the Company with facilities provided by other than the Company.

<u>Interface</u> <u>Jack</u>: A connecting device provided for use as a point of demarcation between network access service and Customer-owned equipment.

Kbps its per second, denotes thousands of bits per second.

<u>LEC</u>: LEC (local exchange carrier) refers to the dominant local exchange carrier in an area also served by the Company.

<u>Maintenance Visit Charge</u>: A charge applied when the location of reported trouble is found to be in Customer-provided equipment.

<u>Mbps</u>bits per second, denotes millions of bits per second.

<u>Mileagner</u> asurement upon which charges are computed for line extensions.

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<u>Minimum Contract Period</u>: The <u>minimum</u> length of time for which a Customer is obligated to pay for service, facilities and equipment whether or not retained by the Customer for such minimum length of time.

<u>Monde Company</u> or Customer location that is capable of performing Add/Drop Multiplexing.

Nonfacilities-Based CLC: A CLC which does not directly own, control, operate, or manage conduits, ducts, poles, wires, cables, instruments, switches, appurtenances, or appliances in connection with or to facilitate communications within the local exchange portion of the public switched network.

<u>Nonrecurring Charge</u>: A one-time charge associated with a specific item of equipment or service. This charge applies to installation and to subsequent modifications.

NSF Check: Any negotiable instrument returned by a bank, savings institution or other eligible institution which is returned by that institution with one of the following instructions: non-sufficient funds, uncollectible funds, account closed, account frozen, no account.

<u>Person:</u> A natural person, firm partnership, corporation, association, municipality, cooperative, organization, government agency, real estate trust, or other legal entity.

<u>Point of Demarcation</u>: A point in a Customer's circuit to which the Company is responsible for service and beyond which the Customer is responsible for service.

<u>Port</u>: A facility or equipment systems or subsystem set aside for the sole use of a specific Customer.

<u>Premises:</u> The space occupied by a Customer or authorized user in a building or buildings on continuous property.

Recurring Charge: A monthly charge to the Customer for services, facilities and equipment, which continues for the duration of the service.

<u>Registered Equipment</u>: Equipment which complies with and has been approved within the registration provisions of Part 68 of the Federal Communications Commission's Rules and Regulations.

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Residence Service: Service where the business use, if any, is merely incidental and where the major use is of a social or domestic nature.

Service Connection Charge: The nonrecurring charge a Customer is required to pay at the time of the establishment of telecommunications service or subsequent additions to that service.

Service Order: The written request for the Company's services executed by the Customer and the Company in a format devised by the Company. The signing of a Service Order form by the Customer and acceptance by the Company initiates the respective obligations of the parties as set forth therein and pursuant to this draft tariff.

Serving Wire Center: A serving wire center denotes the wire center from which the Customer designated premises would normally obtain dial tone from the Company.

<u>Standard Network Interface:</u> The point where Company network services or facilities terminate and the Company's responsibility for installing and maintaining such services or facilities ends.

Termination: Permanent disconnection of telecommunications

Termination Charge: A charge applied under certain conditions when a contract for service is terminated by the Customer before the expiration of the minimum contract period.

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3. APPLICATION OF DRAFT TARIFF

This draft tariff applies to intrastate access service supplied to Customers for origination and termination of **traffic** to and **from** Central Office codes directly assigned to the Company.

This draft tariff applies only to the extent that services provided hereunder are used by a Customer for the purpose of originating or terminating intrastate communications. A communication is "intrastate" only if all points of origination and termination are located within the State of Arizona.

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4. <u>REGULATIONS</u>

4.1 <u>Undertaking of the Company</u>

4.1.1 Scope

The Company undertakes to furnish communications service pursuant to the terms of this draft tariff in connection with one-way and/or two-way information transmission between points within the State of Arizona.

Customers and users may use services and facilities provided under this draft tariff to obtain access to services offered by other service providers. The Company is responsible under this draft tariff only for the services and facilities provided hereunder, and it assumes no responsibility for any service provided by any other entity that purchases access to the Company network in order to originate or terminate its own services, or to communicate with its own customers.

4.1.2 <u>Shortage of Equipment or Facilities</u>

- A) The Company reserves the right to limit or to allocate the use of existing facilities, or of additional facilities offered by the Company, when necessary because of a lack of facilities, or due to any other cause beyond the Company's control.
- B) The Company will provide service within 300 feet from the area abutting its transmission facilities as defined within.
- C) The furnishing of all other service under this draft tariff is subject to the availability on a continuing basis of all the necessary facilities and is limited to the capacity of the Company's facilities as well as facilities the Company may obtain from other carriers to furnish service **from** time to time as required at the sole discretion of the Company.

4.1.3 Terms and Conditions

A) Service is provided on the basis of a minimum period of at least one month, 24-hours per day. For the purpose of computing charges in this draft tariff, a month is considered to have 30 days.

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B) Persons desiring to obtain the Company's service may do so by completing the Company's standard Service Order farm or forms or by oral agreement.

An Applicant for service must pay all previous indebtedness to the Company for telecommunications services before service will be furnished. Failure to pay for business service shall not constitute sufficient cause for refusal of residence service and failure to pay for residence service shall not constitute sufficient cause for refusal of business service.

An application for service becomes a contract upon the signing of the Company's Service Order form or by oral mutual agreement. Neither the contract nor any rights acquired thereunder may be assigned or in any manner transferred.

C) During the initial contact all Applicants for residential service must be given information regarding the Universal Lifeline program and its availability.

Service shall be initiated based on a written or oral agreement between the CLC and the Applicant. In either case, prior to the agreement, the Applicant shall be **informed** of all rates and charges for the services the Applicant desires and any other rates or charges which will appear on the Customer's first bill.

If the agreement is oral, within ten (10) days of initiating the service order, the Company will provide a confirmation letter setting forth a brief description of the services ordered and itemizing all charges which will appear on the Customer's bill. The letter shall be in a language other than English if the sale was in such other language.

Within ten (10) days of the initiation of service, the Company shall state in writing for all new Customers all material terms and conditions that could affect what the Customer pays for telecommunications services provided by the Company.

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Applicants who are denied service for failure to establish credit shall be given the reason for the denial in writing within ten (10) days of service denial.

Except as otherwise provided, the initial (or minimum) period for all services and facilities is one (1) month at the same location. Customers may terminate service at any time by providing the Company notice, and all recurring charges shall be prorated to the date of disconnection of service.

The length of contract period for directory listings, and for joint user service, where the listing actually appears in the directory, is the directory period. The directory period is from the day on which the directory is first distributed to the Customers to the day the succeeding directory is first distributed to Customers.

The Company may require a contract period longer than one (1) month at the same location in connection with Business Service and special (nonstandard) types of arrangements of equipment, or for unusual construction, necessary to meet special demands and involving extra costs.

4.1.4 Customer Responsibilities

The Customer shall be responsible for:

- A) The payment of all applicable charges as set forth in this draft tariff.
- B) Damage or loss of the Company's facilities or equipment caused by the acts or omissions of the Customer or authorized user, the noncompliance by the Customer or authorized user with these regulations; or by fire or theft or other casualty on the premises of the Customer or authorized user unless caused by the negligence or willful misconduct of the employee or agents of the Company.
- Providing as specified from time to time by the Company any needed personnel, equipment, space and power to operate Company facilities and equipment installed on the premises of the Customer or authorized user and the level of heating and air conditioning necessary to maintain the proper environment on such premises.

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- D) Obtaining, maintaining, and otherwise having full responsibility for all rights of way and conduit necessary for installation of facilities and associated equipment used to provide Service to the Customer or authorized user **from** the point of entry to the termination point of the Customer's premises. Any and all costs associated with the obtaining and maintaining of the rights of way described herein, including the costs of altering the structure to permit installation of the Company provided facilities, shall be borne entirely by, or may be charged by, the Company to the Customer. The Company may require the Customer to demonstrate its compliance with this section prior to accepting an order for service.
- Providing a safe place to work and complying with all laws and E) regulations regarding the working conditions on the premises at which Company employees and agents shall be installing or maintaining the Company's facilities and equipment. The Customer may be required to install and maintain Company facilities and equipment within a hazardous area if harm to the Company's employees or property might result from installation or maintenance by the Company.
- F) Complying with all laws and regulations applicable to, and obtaining all consents, approvals, licenses and permits as may be required with respect to, the location of Company facilities and equipment in any Customer premises or the rights-of-way for which the Customer is responsible, and obtaining permission for Company agents or employees to enter the premises of the Customer or authorized user at any reasonable hour for the purpose of installing, inspecting, repairing, or, upon termination of service as stated herein, removing the facilities or equipment of the Company.
- G) Making Company facilities and equipment available periodically for maintenance purposes at a time agreeable to both the Company and the Customer. No allowance will be made for the period during which service is interrupted for such purposes.
- H) Keeping the Company's equipment and facilities located on the Customer's premises or rights-of-way obtained by the Customer free and clear of any liens or encumbrances relating to the Customer's

4.1.5 Limitations on Liability

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- A) Except as otherwise provided in this section, the liability of the Company for damages arising out of either: (1) the furnishing of its services, including but not limited to mistakes, omissions, interruptions, delays, errors or defects in any of the services or facilities furnished by the Company up to and including its local loop demarcation point, including exchange, toll, private line, supplemental equipment, alphabetical directory listings (excluding the use of bold face type) and all other services, shall in no event exceed an amount equal to the pro rata charges to the customer for the period during which the services or facilities are affected by the mistake, omission, interruption, delay, error or defect, provided, however, that where any mistake, omission, interruption, delay, error or defect in any one service or facility affects or diminishes the value of any other service said liability shall include such diminution, but in no event shall the
- The provisions of this rule do not apply to errors and omissions caused B) by willful misconduct, fraudulent conduct or violations of law.

interruption, delay, error or defect.

liability exceed the total amount of the charges to the customer for all services or facilities for the period affected by the mistake, omission,

- In the event an error or omission is caused by the negligence of the C) Company, the liability of the Company shall be limited to and in no event exceed the sum of \$ 10,000.
- D) The Company will not provide a credit allowance for interruptions of service caused by the customer's facilities, equipment, or systems.
- E) The following allowances are provided for interruptions in service, as specified for particular services furnished solely by the Company.
 - a. The Company shall allow, for interruptions in service of 24 hours or more not due to conduct of the customer, an amount equal to the pro rata charges for each 24-hour period, or major fraction thereof after the initial period or interruption in the following services:
 - (1) Mobile telecommunications service.

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b. The Company shall allow for interruptions in exchange telecommunications service of 24 hours or more not due to conduct of the customer an amount equal to the fixed monthly charges for exchange service multiplied by the ratio of the days of interruption to thirty days. When interruptions continue beyond 24 hours, credit allowance will be given in successive 24-hour multiples.

NOTE 1: The allowance applies only to service within the same exchange area. NOTE 2: The allowance applies only to station equipment **and/or** channel facilities.

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- d. The Company shall allow for interruptions of 30 minutes or more not due to conduct of the customer (including authorized users) an amount equal to the pro rata charges in half-hour multiples for each 30-minute period or major fraction thereof after the initial period, of interruption in the following private line services and channels:
 - (1) Private Line telecommunications service.
 - (2) Private line teletypewriter and Morse Services.
 - (3) Channels for data transmission.
 - (4) Channels for remote metering, supervisory control and miscellaneous signaling purposes.

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- (5) Continuous Time Announcement Service.
- (6) Channels for the remote operation of private mobile radiotelephone systems.
- (7) Channels for one-way speech networks in connection with loudspeakers.
- (8) Channels for one-way program transmission networks in connection with loudspeakers.
- (9) Special assembly services and channels for miscellaneous experimental purposes.

The allowance on (1) preceding applies only to full period service. The allowance on Items (1) through (6) preceding applies only to service between separate exchange areas. The allowance on (8) and (9) preceding applies only to interexchange and interdistrict channels.

- e. The Company shall allow for interruptions of 30 seconds or more not due to conduct of the customer or failure of facilities provided by the customer an amount equal to the pro rata charges in fiveminute multiples for each five-minute period or major fraction thereof of interruption in the following private line services and channels.
 - (1) Channels for program transmission in connection with loudspeakers, sound reproduction or sound recording.
 - (2) Channels for video transmission in connection with television viewers.
- The Company shall allow for interruptions of short period private line telecommunications service which aggregate one-sixth or more of the daily contract service not due to conduct of the customer (including authorized users) an amount equal to the pro

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rata charges for the period of interruption (excluding lost time made up later in the same day at the customer's request).

- The Company shall allow for interruptions of two consecutive hours or more not due to conduct of the customer or failure of facilities provided by the customer an amount equal to 1/720 of the fixed monthly charge for each hour or major fraction thereof of interruption in private line channels for television transmission for use in educational television systems.
- h. The Company shall allow an amount calculated as shown in (2) below, for interruptions in Digital Service based on the Average Station Value, as defined in (1) below, and the length of the interruption, not due to conduct of the customer or authorized user or failure of facilities provided by the customer or authorized user or due to the failure of the customer to authorize replacement of any element of special construction. The period during which no credit allowance will be made shall begin on the seventh day after the customer receives the Company's notification of the need for such replacement and shall end on the day after the Company receives the customer's authorization for such replacement.

(1) Average Station Value

The average station value is calculated by dividing the total monthly charge for a service by the total number of stations on the service. The total monthly charge shall be comprised of all charges associated with the service, including charges for all equipment assigned to all Digital Station Terminals on the service.

(2) Credit Allowances for Interruptions

For the purpose of determining the amount of allowance every month is considered to have 30 days and only those stations on the interrupted portions of a service shall be considered in determining the number of stations affected.

- An interruption credit allowance is determined by (i) calculating the Average Station Value for one full day (Average Station Value

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divided by 30 (days)) (ii)multiplying the result of(i) by the "credit" as specified following then (iii) multiplying the result of (ii) by the number of stations affected.

- Interruptions of 24 Hours or Less

Length of Interruption	Credit
Less than 30 minutes	None
30 minutes up to but not including 3 hours	1/10 day
3 hours up to but not including 6 hours	1/5 day
6 hours up to but not including 9 hours	2/5 day
9 hours up to but not including 12 hours	3/5 day
12 hours up to but not including 15 hours	4/5 day
15 hours up to 24 hours inclusive	One day

Two or more interruptions of 30 minutes or more during any period up to but not including 3 hours, shall be considered as an interruption.

-Interruptions Over 24 Hours

Credit will be allowed in 1/5 day multiples for each 3 hour period of interruption or fraction thereof. No more than one full day's credit will be allowed for any period of 24 hours.

- i. For purposes of these regulations, an interruption is deemed to exist from the time it is reported to or detected by the Company.
- F) Temporary Suspension for Repairs The Company shall have the right to make necessary repairs or changes in its facilities at any time and will have the right to suspend or interrupt service temporarily for the purpose of making the necessary repairs or changes in its system.

 When such suspension or interruption of service for any appreciable period is necessary, the Company will give the customers who may be affected as reasonable notice thereof as circumstances will permit, and will prosecute the work with reasonable diligence, and if practicable at times that will cause the least inconvenience.

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When the Company is repairing or changing its facilities, it shall take appropriate precautions to avoid unnecessary interruptions of conversations or customer's service.

- Errors in Transmitting, Receiving or Delivering Oral Messages by G) Telephone • The Company shall not be liable for errors in transmitting. receiving or delivering oral messages by telephone over the lines of the Company and connecting utilities.
- H) Loss Arising From Non-Delivery of Written Messages - The Company shall be liable for loss or damage that may occur in the course of the employment of any messenger not to exceed twenty-times the charge for such messenger service, and shall be liable for loss or damage that may occur in the transmission of any message over its lines not to exceed the amount received for sending same.

4.1.6 Provision of Eauinment and Facilities

- Except as otherwise indicated, customer-provided station equipment at the Customer's premises for use in connection with this service shall be so constructed, maintained and operated as to work satisfactorily with the facilities of the Company.
- The Company shall not be responsible for the installation, operation or B) maintenance of any Customer-provided communications equipment. Where such equipment is connected to service furnished pursuant to this draft tariff, the responsibility of the Company shall be limited to the furnishing of services under this draft tariff and to the maintenance and operation of such services in the proper manner. Subject to this responsibility, the Company shall not be responsible for:
 - 1) the through transmission of signals generated by Customer-provided equipment or for the quality of, or defects in, such transmission; or
 - 2) the reception of signals by Customer-provided equipment; or
 - network control signaling where such signaling is performed by 3) Customer-provided network control signaling equipment.

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4.1.7 Non-Routine Installation

At the Customer's request, installation and/or maintenance may be performed outside the Company's regular business hours or in hazardous locations. In such cases, charged based on cost of the actual labor, material, or other costs incurred by or charged to the Company will apply. If installation is started during regular business hours but, at the Customer's request, extends beyond regular business hours into time periods including, but not limited to, weekends, holidays, and/or night hours, additional charged may apply.

4.1.8 Special Construction

Subject to the agreement of the Company and to all of the regulations contained in this draft tariff, special construction of facilities may be undertaken on a reasonable efforts basis at the request of the Customer. Special construction is that construction undertaken:

- A) where facilities are not presently available, and there is no other requirement for the facilities so constructed
- B) of a type other than that which the Company would normally utilize in the furnishing of its services;
- C) over a route other than that which the Company would normally utilize in the furnishing of its services;
- in a quantity greater than that which the Company would normally D) construct;
- E) on an expedited basis;
- F) on a temporary basis until permanent facilities are available;
- G) involving abnormal costs; or
- in advance of its normal construction. H)

4.1.9 Ownership of Facilities

Title to all facilities provided in accordance with this draft tariff remains in the Company, its agents or contractors. The Customer shall not have, nor shall it

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assert, any right, title or interest in all the fiber optic or other facilities and associated equipment provided by the Company hereunder.

4.1.10 Universal Emergency Telephone Number Service

- A) This draft tariff does not provide for the inspection or constant monitoring of facilities to discover errors, defects or malfunctions in the service, nor does the Company undertake such responsibility.
- B) 911 information consisting of the names, addresses and telephone numbers of all telephone customers is confidential. The Company will release such information via the Data Management System only after a 911 call has been received, on a call by call basis, only for the purpose of responding to an emergency call in process.
- C) The 9 11 calling party, by dialing 9 11, waives the privacy afforded by non-listed and non-published service to the extent that the telephone number, name, and address associated with the originating station location are furnished to the Public Safety Answering Point.
- D) After the establishment of service, it is the Public Safety Agency's responsibility to continue to verify the accuracy of and to advise the Company of any changes as they occur in street names, establishment of new streets, changes in address numbers used on existing streets, closing and abandonment of streets, changes in police, fire, ambulance or other appropriate agencies' jurisdiction over any address, annexations and other changes in municipal and county boundaries, incorporation of new cities or any other similar matter that may affect the routing of 911 calls to the proper Public Safety Answering Point.
- E) The Company assumes no liability for any infringement, or invasion of any right of privacy or any person or persons caused, or claimed to be caused, directly or indirectly by the use of 911 Service. The Public Safety Agency agrees, except where the events, incidents, or eventualities set forth in this sentence are the result of the Company's gross negligence or willful misconduct, to release, indemnify, defend and hold harmless the Company from any and all loss or claims whatsoever, whether suffered, made, instituted, or asserted by the Public Safety Agency or by any other party or person, for any personal injury to or death of any person or

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persons, or for any loss, damage, or destruction of any property, whether owned by the customer or others. The Public Safety Agency also agrees to release, indemnify, defend and hold harmless the Company infringement of invasion of the right to privacy of any person or persons, caused or claimed to have been caused, directly or indirectly, by the installation, operation, failure to operate, maintenance, removal, presence, condition, occasion, or use of 911 Service features and the equipment associated therewith, or by any services furnished by the Company in connection therewith, including, but not limited to, the identification of the telephone number, address, or name associated with the telephone used by the party or parties accessing 911 Service hereunder, and which arise out of the negligence or other wrongful act of the Public Safety Agency, its user, agencies or municipalities, or the employees or agents of any one of them, or which arise out of the negligence, other than gross negligence or willful misconduct, of the Company, its employees or agents.

Prohibited Uses 4.2

- A) The services the Company offers shall not be used for any unlawful purpose or for any use as to which the Customer has not obtained all governmental approvals, authorizations, licenses, consents and permits required to be obtained by the Customer with respect thereto.
- B) The Company may require applicants for service who intend to use the Company's offerings for resale and/or for shared use to file a letter with the Company confirming that their use of the Company's offerings complies with relevant laws and Commission regulations, policies, orders, and decisions.
- C) The Company may, without obtaining any further consent from the Customer, assign any rights, privileges, or obligations under this draft tariff. The Customer shall not, without prior written consent of the Company, which consent shall not be unreasonably withheld, assign, transfer, or in any other manner dispose of, any of its rights, privileges, or obligations under this draft tariff, and any attempt to make such an assignment, transfer, disposition without consent shall be null and void.
- D) A Customer may not use the services so as to interfere with or impair service over any facilities and associated equipment, or so as to impair the privacy of any communications over such facilities and associated

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- E) Customer use of any resold service obtained from other service providers shall also be subject to any applicable restrictions in the underlying providers' publicly available draft tariffs.
- F) A Customer or authorized user shall not represent that its services are provided by the Company, or otherwise indicate to its Customers that its provision of services is jointly with the Company, without the written consent of the Company. The relationship between the Company and Customer shall not be that of partners or agents for one or the other, and shall not be deemed to constitute a partnership or agency agreement.

Obligations of the Customer 4.3

The Customer shall be responsible for:

- The payment of all applicable charges as set forth in this draft tariff. A)
- B) Damage or loss of the Company's facilities or equipment caused by the acts or omissions of the Customer or authorized user, the noncompliance by the Customer or authorized user with these regulations; or by fire or theft or other casualty on the premises of the Customer or authorized user unless caused by the negligence or willful misconduct of the employee or agents of the Company.
- C) Providing as specified from time to time by the Company any needed personnel, equipment, space and power to operate Company facilities and equipment installed on the premises of the Customer or authorized user and the level of heating and air conditioning necessary to maintain the proper environment on such premises.
- D) Obtaining, maintaining, and otherwise having full responsibility for all rights of way and conduit necessary for installation of facilities and associated equipment used to provide Service to the Customer or authorized user from the point of entry to the termination point of the Customer's premises. Any and all costs associated with the obtaining and maintaining of the rights of way described herein, including the costs of altering the structure to permit installation of the Company

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provided facilities, shall be borne entirely by, or may be charged by, the Company to the Customer. The Company may require the Customer to demonstrate its compliance with this section prior to accepting an order for service.

- Providing a safe place to work and complying with all laws and regulations regarding the working conditions on the premises at which Company employees and agents shall be installing or maintaining the Company's facilities and equipment. The Customer may be required to install and maintain Company facilities and equipment within a hazardous area if harm to the Company's employees or property might result from installation or maintenance by the Company.
- F) Complying with all laws and regulations applicable to, and obtaining all consents, approvals, licenses and permits as may be required with respect to, the location of Company facilities and equipment in any Customer premises or the rights-of-way for which the Customer is responsible, and obtaining permission for Company agents or employees to enter the premises of the Customer or authorized user at any reasonable hour for the purpose of installing, inspecting, repairing, or, upon termination of service as stated herein, removing the facilities or equipment of the Company.
- G) Making Company facilities and equipment available periodically for maintenance purposes at a time agreeable to both the Company and the Customer. No allowance will be made for the period during which service is interrupted for such purposes.
- H) Keeping the Company's equipment and facilities located on the Customer's premises or rights-of-way obtained by the Customer free and clear of any liens or encumbrances relating to the Customer's use of the Company's services or from the locations of such equipment and facilities.

4.3.1 <u>Liability of the Customer</u>

A) The Customer will be liable for damages to the facilities of the Company and for all incidental and consequential damages caused by the negligent or intentional acts or omissions of the Customer, its officers, employees,

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agents, invitees, or contractors where such acts or omissions are not the direct result of the Company's negligence or intentional misconduct.

- B) To the extent caused by any negligent or intentional act of the Customer as described in (A), preceding, the Customer shall indemnify, defend and hold harmless the Company **from** and against all claims, actions, damages, liabilities, costs and expenses, including reasonable attorney's fees, for (1) any loss, destruction or damage to property of any third party, and (2) any liability incurred by the Company to any third party pursuant to this or any other draft tariff of the Company, or otherwise, for any interruption of, interference to, or other defect in any service provided by the Company to such third party.
- The Customer shall not assert any claim against any other customer or user of the Company's services for damages resulting in whole or in part from or arising in connection with the furnishing of service under this draft tariff including but not limited to mistakes, omissions, interruptions, delays, errors or other defects or misrepresentations, whether or not such other customer or user contributed in any way to the occurrence of the damages, unless such damages were caused solely by the negligent or intentional act or omission of the other customer or user and not by any act or omission of the Company. Nothing in this draft tariff is intended either to limit or to expand Customer's right to assert any claims against third parties for damages of any nature other than those described in the preceding sentence.

4.4 Customer Equipment and Channels

4.4.1 General

A User may transmit or receive information or signals via the facilities of the Company. The Company's services are designed primarily for the transmission of voice-grade telephone signals, except as otherwise stated in this draft tariff. A User may transmit any draft of signal that is compatible with the Company's equipment, but the Company does not guarantee that its services will be suitable for purposes other than voice-grade telephonic communications except as specifically stated in this draft tariff.

4.4.2 Station Equipment

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- A) Customer provided terminal equipment on the premises of the Customer or authorized user, the operating personnel there, and the electric power consumed by such equipment shall be provided by and maintained at the expense of the Customer or authorized user. Conformance of Customer-provided station equipment with Part 68 of the FCC Rules is the responsibility of the Customer.
- B) The Customer or authorized user is responsible for ensuring that Customer-provided equipment connected to Company equipment and facilities is compatible with such equipment and facilities. The magnitude and character of the voltages and currents impressed on Company provided equipment and wiring by the connection, operation, or maintenance of such equipment and wiring shall be such as not to cause damage to the Company provided equipment and wiring or injury to the Company's employees or to other persons. Any additional protective equipment required to prevent such damage or injury shall be provided by the Company at the Customer's expense.

4.4.3 Interconnection of Facilities

- A) Any special interface equipment necessary to achieve compatibility between the facilities and equipment of the Company used for furnishing Communications Services and the channels, facilities, or equipment of others shall be provided at the Customer's expense.
- Communications Services may be connected to the services or facilities B) of other communications carriers only when authorized by, and in accordance with, the terms and conditions of the draft tariffs of the other communications carriers which are applicable to such connections.
- Facilities furnished under this draft tariff may be connected to customer C) provided terminal equipment in accordance with the provisions of this draft tariff. All such equipment shall be registered by the Federal Communications Commission pursuant to Part 68 of Title 47, Code of Federal Regulations; and all User-provided wiring shah be installed and maintained in compliance with those regulations.

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D) Users may interconnect communications facilities that are used in whole or in part for intrastate communications to services provided under this draft tariff only to the extent that the user is an "end user" as defined in Section 69.2(m), Title 47, Code of Federal Regulations (1992 edition).

4.4.4 Inspections

- A) Upon suitable notification to the Customer, and at a reasonable time, the Company may make such tests and inspections as may be necessary to determine that the Customer, authorized user, or joint user is complying with the requirements set forth above for the installation, operation and maintenance of Customer-provided facilities, equipment, and wiring in the connection of Customer-provided facilities and equipment to Company owned facilities and equipment.
- B) If the protective requirements for Customer-provided equipment are not being complied with, the Company may take such action as it deems necessary to protect its facilities, equipment, and personnel. The Company will notify the Customer promptly if there is any need for further corrective action. Within (10) days of receiving this notice, the Customer must take such action. If the Customer fails to do this, the Company may take whatever additional action is deemed necessary, including the suspension of service, to protect its facilities, equipment, and personnel from harm.

4.5.1 Advance Payments

To safeguard its interests, the Company may require a Customer to make an advance payment before services and facilities are furnished. The advance payment will not exceed an amount up to two months of estimated monthly usage charges. In addition, where special construction is involved, the advance payment may also include an amount equal to the estimated non-recurring charges for the special construction and recurring charges (if any) for a period to be set between the Company and the Customer. The advance payment will be credited to the Customer's initial bill. An advance payment may be required in addition to a deposit.

4.5.2 Deposits

The Company does not require a deposit payment to provide service.

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4.6 Payment Arrangements

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4.6.1 Payments for Service

The Customer is responsible for the payment of all charges for facilities and services furnished by the Company to the Customer.

4.6.2 Bike and Collection of Charges

The Customer is responsible for payment of all charges for facilities and services furnished, including charges for services originated, or charges accepted, at such facilities. This Customer responsibility also includes charges associated with the fraudulent use of facilities and services by the Customer or any end users of the Customer's service. All bills are payable at the Company's business offices.

- A) At such time as the Company completes installation or connection of the necessary facilities and/or equipment to provide services the Company shall conduct appropriate tests thereon. Upon successful completion of such tests, the Company shall notify the Customer that such services, are available for use, and the date of such notice shah be called the "Service Date" and shall be the starting date for billing.
- Customer shall pay the amounts as specified in the draft tariff for the C) Services. Nonrecurring charges, including construction, are due in advance. Fixed recurring charges shall be billed in advance after the Service date is determined and will be due no later than thirty (30) days after the date the invoice was presented to Customer. Variable recurring charges and other charges shall be billed as incurred, and will be due no later than thirty (30) days after the date the invoice was presented to Customer. Any amount not received within said fifteen (15)-day period will be subject to the Company's standard late payment charge specified in Section 1.9.3, below. Customer agrees to review each invoice promptly and to notify the Company of any discrepancies within forty-five (45) days of receipt of each invoice. In the event that the Company's computerized usage recording system fails or is otherwise unavailable for all or part of any billing period, the Company shall be entitled to make a reasonable estimate of the Customer's usage of Services in the period in question for billing purposes.

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- D) Any prorated bill shall use a thirty (30)-day month to calculate the pro-rata amount. Prorating shall apply only to recurring charges. All nonrecurring and usage charges incurred during the billing period shall be billed in addition to prorated amounts.
- E) Recurring charges for all services are billed monthly, in advance, for one (1) months minimum charge
- F) Bills are due and payable on the date of presentation. A late payment charge, as described below, will be applied if payment is not received by the utility on or before the late payment date which date will be prominently displayed on the Customer's bill. The late payment date will be at least fifteen (15) days after the date of presentation on the billing envelope. The Company shall credit payments within twenty-four (24) hours of receipt to avoid assessing late payment charges incorrectly.

A late payment charge of 1.5% applies to each Customer's bill when the previous month's bill has not been paid in full within fifteen (15) days after presentment of the bill, leaving an unpaid balance carried forward. The percentage late payment charge is applied to the total unpaid amount carried forward and is included in the total amount due on the current bill.

If payment for a current bill is received by the Company before the bill's due date, but for technical or other reasons the payment is not applied to the Customer's account prior to the issuance of a subsequent bill, the Customer shall not be liable for that portion of any unpaid balance attributed to a Late Payment Charge.

A Customer shall not be liable for any Late Payment Charge applicable to a disputed portion of that Customer's bill, so long as the Customer pays the undisputed portion of the bill and enters into bona fide negotiations to resolve the dispute on a timely basis.

G) Checks presented in payment for services and subsequently returned to the Company of the Customer's financial institution for "Non-Sufficient Funds" or other reasons will incur a nonrecurring charge per Customer, per check:

Per Returned Check

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\$20.00

A Customer will be placed on a "cash only" basis upon receipt of two (2) returned checks within a twelve (12)-month period of time. "Cash only" is herein defined as cashier's checks, U.S. currency, or money orders.

Receipt of a subsequently dishonored negotiable instrument in response to a notice of discontinuance shall not constitute payment of a Customer's account and the Company will not be required to issue additional notice prior to discontinuance. However, three (3) banking days must be allowed for redemption of such instrument.

- H) Notices to discontinue service for nonpayment of bills shall be provided in writing by first class mail to the Customer not less than seven (7) calendar days prior to termination. Each notice shall include all of the following information:
 - 1. The name and address of the Customer whose account is delinquent.
 - 2. The amount that is delinquent.
 - 3. The date when payment or arrangements for payment are required in order to avoid termination.
 - 4. The procedure the Customer may use to initiated complaint or to request an investigation concerning service or charges.
 - 5. The procedure the Customer may use to request amortization of the unpaid charges.
 - 6. The telephone number of a representative of the Company, who can provide additional information or institute arrangements for payment.
 - 7. The telephone number of the Commission's Consumer Affairs Branch.
 - 8. Local service may not be discontinued for nonpayment of charges for Category III or other unregulated competitive services.

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4.6.3 Billing Disputes

A) General

All bills are presumed accurate, and shall be binding on the Customer unless notice of the disputed charge(s) is received by the Company. For the purposes of this section, "notice" is defined as verbal or written notice to the Company, containing sufficient documentation to investigate the dispute, including the account number under which the bill has been rendered, the date of the bill, and the specific terms on the bill being disputed.

B) <u>Late Payment Charges</u>

The undisputed portions of the bill must be paid by the payment due date to avoid assessment of a late payment charge on the undisputed amount under Section 4.6.2(E), preceding.

C) Adjustments or Refunds to the Customer

- In the event that the Company resolves the billing dispute in favor of a Customer who has withheld payment of the disputed amount pending resolution of the disputed bill, the Company will *credit* the Customer's account for the disputed amount in the billing period following the resolution of the dispute.
- In the even that the Company resolves the billing dispute in favor of a Customer who has paid the total amount of the disputed bill, the Company will credit the Customer's account for any overpayment by the Customer in the billing period following the resolution of the dispute.
- In the event that the Company resolves the billing dispute in favor of a Customer who has paid the total amount of the disputed bill but canceled the service, the Company will issue a refund of any overpayment by the Customer.

D) <u>Unresolved Billing Disputes</u>

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- 1) In the case of a billing dispute between Customer and the Company for service furnished to the Customer, which cannot be settled to the mutual satisfaction of the Customer and the Company, the Customer should request the Company to provide an in-depth review of the disputed amount.
- 2) If after investigation and review by the Company, a disagreement remains as to the disputed amount, the Customer may file an appropriate complaint with:

Arizona Corporation Commission Consumer Services Division

4.6.4 Discontinuance of Service for Cause

The Company shall, upon reasonable notice, when it can be reasonably given, have the right to suspend or curtail or discontinue service for the following reasons:

- A) For the purpose of making permanent or temporary repairs, changes or improvements in any part of its system;
- B) For compliance in good faith with any governmental order or directive notwithstanding such order or directive subsequently may be held to be invalid:
- C) For any of the following acts of omissions on the part of the Customer:
 - (i) Nonpayment of a valid bill due for service furnished at a present or previous location. The customer(s) of record whose name(s) appear on the bill shall be held responsible for utility service rendered. However, nonpayment for business service shall not be a reason for discontinuance of residential service, except in cases of diversion of service, and service shall not be discontinued for nonpayment of repair charges, merchandise charges, installation of conservation measures and other non-tariff contracted service charges between the customer and the Company, nor shall notice threatening such discontinuance be given;

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- (ii) Tampering with the facility of the Company;
- Fraudulent representation in relation to the use of service; (iii)
- (iv) Customer moving from the premises, unless the customer requests that the service be continued;
- (v) Providing a Company's service to others without approval of the Company;
- (vi) Failure to make or increase an advance payment or deposit as provided for in these rules or the Company's draft tariff
- (vii) Refusal to contract for service where such contract is required;
- (viii) Connecting and operating in such manner as to produce disturbing effects on the service of the Company or other customers:
- (ix) Failure of the customer to comply with any reasonable standard terms and conditions contained in the Company's draft tariff
- (x)Where the condition of the customer's installation presents a hazard to life or property;
- (xi) Failure of customer to repair any faulty facility of the customer.
- D) Notice of the proposed discontinuance is provided pursuant to the rules listed within.
- E) Service is not initially discontinued on any Saturday, Sunday, legal holiday, or any other day Company representatives are not available to serve Customers.
- For refusal of reasonable access to customer's premises for necessary F) purposes in connection with rendering of service, including meter installation, reading or testing, or the maintenance or removal of the Company's property.
- Notice of Discontinuance G)
 - 1) The Customer shall be given a period of at least fifteen (1.5) days for payment after the postmark date indicated on the envelope in which the bill was transmitted. In the absence of a postmark, the

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burden of proving the date of mailing shall be upon the Company. When a customer mails any payment for the net amount of a bill for service, and such payment is received at the Company's office not more than two full business days after the due date printed on the bill, the Customer shall be deemed to have made timely payment. A public utility may discontinue service for non-payment of bills provided it gives the customer, at least ten (10) days written notice of its intention to The notice of discontinuance shall not be served discontinue. until the expiration of the said fifteen (15) day period. A new notice shall be served by the Company each time it intends to discontinue service for nonpayment of a bill except that no additional notice shall be required when, in response to a notice of discontinuance, payment by check is subsequently dishonored. However, in the case of fraud, illegal use, or when it is clearly indicated that the customer is preparing to leave, immediate payment of accounts may be required.

- telephone public utilities shall annually notify all (a) residential customers that, upon request, notice of discontinuance of service will be sent to a designated third party as well as to the customer.
- Telephone public utilities shall make good faith efforts to (b) determine which of their residential customers are over 65 years of age, and shall make good faith efforts to notify such customers of discontinuance of service by telephone in addition to notice by regular mail. This effort may consist of an appropriate inquiry set forth in the notice informing customers that they may designate a third party to receive notice of discontinuance. This provision shall not apply to utilities which make good faith efforts to contact all residential customers by telephone prior to discontinuance and file with the Commission a statement setting forth such procedure.
- 2) When the customer is a public utility under the Commission's jurisdiction, the serving utility shall concurrently serve a copy of the notice of discontinuance on the Commission.

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- 3) On all notices of discontinuance to residential customers, there shall be included:
 - A statement that the Company is subject to the (a) jurisdiction of the Arizona Corporation Commission and the address and telephone number of the Commission.
 - (b) A statement that in the event the customer is either unable to make payment of a bill or wishes to contest a bill the customer should contact the Company. The notice shall contain information sufficient for the customer to make appropriate inquiry.
 - A statement that if a customer is presently unable to pay (c) an outstanding bill, the customer may contact the Company to discuss the possibility of entering into a reasonable deferred payment agreement. In the case of a residential customer receiving more than one different service from the same company, the statement shall state that deferred payment agreements are available separately for each Company service.

4.6.5 Notice to Comnany for Cancellation of Service

Customers desiring to terminate service shall provide Company proper notice of desire to terminate service. A customer wishing to discontinue service must give notice to that effect, Within 48 hours of said notice, the Company shall discontinue service or obtain a meter reading for the purpose of calculating a final bill. Where such notice is not received by the Company, the customer shah be liable for service until the final reading of the meter is taken. Notice to discontinue service will not relieve a customer from any minimum or guaranteed payment under any contract or rate.

Cancellation of Application for Service 4.6.6

Applications for service may not be cancelled later than three (3) days A) after submission unless the Company otherwise agrees. Where the Company permits the Customer to cancel an application for service prior to the start of service or prior to any special construction, no charges will be imposed except for those specified below.

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- B) Where, prior to cancellation by the Customer, the Company incurs any expenses in installing the service or preparing to install the service that it otherwise would not have incurred, a charge equal to the costs the Company incurred, less net salvage, shall apply, but in no case shall this charge exceed the sum of the charge for the minimum period of service ordered, including installation charges, and all charges others levy against the Company that would have been chargeable to the Customer had service begun (all discounted to present value at 6%).
- C) Where the Company incurs any expense in connection with special construction, or where special arrangements of facilities or equipment have begun, before the Company receives a cancellation notice, a charge equal to the costs incurred, less net salvage, applies. In such cases the charge will be based on such elements as the cost of the equipment, facilities, and material, the supervision, general and administrative expense, other provision for return on investment, and any other costs associated with the special construction or arrangements.

4.6.7 Changes in Service Reauested

If the Customer makes or requests material changes in circuit engineering, equipment specifications, service parameters, premises locations, or otherwise materially modifies any provision of the application for service, the Customer's installation fee shall be adjusted accordingly.

4.7 Allowances for Interruptions in Service

4.7.1 General

- A) A credit allowance will be given when service is interrupted, except as specified in Section 4.7.2 following. A service is interrupted when it becomes inoperative to the Customer, e.g., the Customer is unable to transmit or receive, because of a failure of a component furnished by the Company under this draft tariff.
- B) An interruption period begins when the Customer reports a service, facility or circuit to be inoperative and, if necessary, releases it for testing and repair. An interruption period ends when the service, facility or circuit is operative.
- C) If the Customer reports a service, facility or circuit to be interrupted but declines to release it for testing and repair, the service, facility or circuit

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is considered to be impaired but not interrupted. No credit allowances will be made for a service, facility or circuit considered by the Company to be impaired.

4.7.2 Limitations of Allowances

No credit allowance will be made for any interruption in service:

- A) Due to the negligence of or noncompliance with the provisions of this draft tariff by any person or entity other than the Company, including but not limited to the Customer or other common carriers connected to the service of the Company;
- B) Due to the failure of power, equipment, systems, connections or services not provided by the Company;
- C) Due to circumstances or causes beyond the control of the Company (including, but not limited to, civil disorder, fire, flood, storm or other natural or man-made disasters or elements, or labor problems);
- D) During any period in which the Company is not given full and free access to its facilities and equipment for the purposes of investigating and correcting interruptions;
- E) During any period in which the Customer continues to use the service on an impaired basis;
- F) During any period when the Customer has released service to the Company for maintenance purposes or for implementation of a Customer order for a change in service arrangements;
- G) That occurs or continues due to the Customer's failure to authorize replacement of any element of special construction;

4.7.3 Use of Another Means of Communications

If the Customer elects to use another means of **communications** during the period of interruption, the Customer must pay the charges for the alternative service used.

4.7.4 Application of Credits for Interruptions in Service

A) Credits for interruptions in service that is provided and billed on a flat rate basis for a minimum period of at least one month, beginning on the

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date that billing becomes effective, shall in no event exceed an amount equivalent to the proportionate charge to the Customer for the period of service during which the event that gave rise to the claim for a credit occurred. A credit allowance is applied on a pro rate basis against the rates specified hereunder and is dependent upon the length of the interruption Only those facilities on the interrupted portion of the circuit will receive a credit.

- B) For calculating credit allowances, every month is considered to have thirty (30) days.
- C) A credit allowance will be given for interruptions in service of 15 minutes or more. Two or more interruptions of 15 minutes or more during any one 24-hour period shall be considered as one interruption
- D) Interruptions of Twenty-Four (24) Hours or Less Portion of Daily Per-Line Charge

Two or more service interruptions of the same type to the same line/equipment of two (2) hours or more during any one twenty-four (24) hour period shall be considered as one interruption. In no event shall such interruption credits for any one line/equipment exceed one (1) day's fixed recurring charges for such line/equipment in any twenty-four (24)-hour period. The credits to be given for such interruptions are set forth in paragraph 4.1.5.h of this tariff.

E) <u>Interruptions over Twenty-Four (24) Hours</u>

Service interruptions over twenty-four (24) hours will be credited as described in paragraph 4.1.5.h of this tariff

4.7.5 Cancellation for Service Interruption

Cancellation or termination for service interruption is permitted only if any circuit experiences a single continuous outage of 8 hours or more or a cumulative service credits equaling 16 hours in a continuous 12-month period. The right to cancel service under this provision applies only to the single circuit which has been subject to the outage or cumulative service credits.

4.8 Cancellation of Service/Termination Liability

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If a customer cancels a Service Order or terminates services before the completion of the term for any reason whatsoever other than a service interruption (as defined in Section 4.7.1), Customer agrees to pay Company termination liability charges, which are defined below. These charges shall become due and owing as of the effective date of the cancellation or termination and be payable within the period set forth in Section 4.6.2.

4.8.1 Termination Liability

Customer's termination liability for cancellation of service shah be equal to:

- A) all unpaid Non-recurring charges reasonably expended by Company to establish service to Customer; plus
- B) any disconnection, early cancellation or termination charges reasonably incurred and paid to third parties by Company on behalf of Customer, Plus
- C) all Recurring Charges specified in the applicable Service Order for the balance of the then current term discounted at a rate determined by the Arizona Corporation Commission;
- D) minus a reasonable allowance for costs avoided by the Company as a direct result of Customer's cancellation.

4.9 Customer Liability for Unauthorized Use of Network

<u>Unauthorized Use of the Network</u> 4.9.1

- A) Unauthorized use of the Network occurs when: (1) a person or entity that does not have actual, apparent, or implied authority to use the Network, obtains the Company's services provided under this draft tariff; or (2) a person or entity that otherwise has actual, apparent, or implied authority to use the Network, makes fraudulent use of the Network to obtain the Company's services provided under this draft tariff, or uses specific services that are not authorized.
- B) The following activities constitute fraudulent use:
 - 1) Using the Network to transmit a message, locate a person, or otherwise give or obtain information, without payment for the service:

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- Using or attempting to use the Network with the intent to avoid payment, either in whole or part, of any of the Company's tariffed charges by either rearranging, tampering with, or making connections not authorized by this draft tariff to any service components used to furnish the Company's services or using fraudulent means or devices, tricks, schemes, false or invalid numbers, false credit devices or electronic devices:
- Toll Free callers using the Network with the intent of gaining access to a Customer's outbound calling capabilities on an unauthorized basis; and
- 4) Using fraudulent means or devices, tricks, schemes, false or invalid numbers, false credit devices or electronic devices to defraud or mislead callers.
- Customers are advised that use of telecommunications equipment and services, including that provided under this draft tariff, carries a risk of various forms of telecommunications fraud (including, but not limited to, toll and fraud perpetrated by Users who gain access to a Customer's facilities, account numbers, security or authorized codes, etc.). Customers should take all necessary steps to restrict access to their facilities, including the equipment and services provided hereunder, and to detect and prevent unauthorized use of the equipment and services provided by the Company under this draft tariff.

4.9.2 <u>Liability for Unauthorized Use</u>

- A) Except as provided for elsewhere in this draft tariff, the Customer is responsible for payment of all charges for services provided under this draft tariff furnished to the Customer or User. This responsibility is not changed due to any use, misuse, or abuse of the Customer's service or Customer-provided equipment by Users or other third parties, the Customer's employees, or the public.
- B) The Customer is responsible for payment of any charges related to the suspension and/or termination of service, and any charges for reconnection of service, incurred as a result of unauthorized use of the Network.

4.9.3 Liability for Credit Card Fraud

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A) The Customer is liable for the unauthorized use of the Network obtained through the fraudulent use of a Credit Card, provided: (1) the Credit Card is an accepted credit card, and (2) the unauthorized use occurs before the Company has been notified.

An accepted credit card is any credit card that a cardholder has requested or applied for and received, or has signed, used, or authorized another person to use to obtain credit. Any credit card issued as a renewal or substitute in accordance with this paragraph is an accepted credit card when received by the cardholder.

- B) The liability of the Customer for unauthorized use of the Network by Credit Card fraud will not exceed the lesser of \$50 or the amount of money, property, labor, or services obtained by the unauthorized user before notification to the Company.
- C) The Customer must give the Company notice that unauthorized use of a Credit card has occurred or may occur as a result of loss, theft or other reasons. For the purpose of this section, "notice" occurs when the Company receives a verbal or written confirmation that unauthorized use of a Credit card has occurred or may occur as a result of loss, theft or other reasons.

4.10 <u>Use of Customer's Service by Others</u>

4.10.1 Resale and Sharing

Any service provided under this draft tariff may be resold to or shared with other persons at the option of Customer, subject to compliance with any applicable laws or Arizona Corporation Commission regulations governing such resale or sharing. Customer remains solely responsible for all use of services ordered by it or billed to its telephone number(s) pursuant to this draft tariff, for determining who is authorized to use its services, and for notifying the Company of any unauthorized use.

4.10.2 Joint Use Arraneements

Issued:

Joint use arrangements will be permitted for all services provided under this draft tariff. From each joint use arrangement, one member will be designated as the Customer responsible for the manner in which the joint use of the service will be allocated. The Company will accept orders to start, rearrange, relocate, or discontinue service only from the Customer. Without affecting the

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Customer's ultimate responsibility for payment of all charges for the service, each joint user shall be responsible for the payment of the charges billed to it.

4.11 <u>Transfers and Assignments</u>

Neither the Company nor the Customer may assign or transfer its rights or duties in connection with the services and facilities provided by the Company without the written consent of the other party, except that that Company may assign its rights and duties (a) to any subsidiary, parent company or affiliate of the Company; (b) pursuant to any sale or transfer of substantially all the assets of the Company; or (c) pursuant to any financing, merger or reorganization of the Company.

4.11 Notices and Communications

Issued:

- A) The Customer shall designate on the Service Order an address to which the Company shall mail or deliver all notices and other communications, except that Customer may also designate a separate address to which the Company's bills for service shall be mailed.
- B) The Company shall designate on the Service Order an address to which the Customer shall mail or deliver all notices and other communications, except that Company may designate a separate address on each bill for service to which the Customer shall mail payment on that bill. The bill will contain both the mailing address for notices and communications as well as the address to which the payment is to be mailed.
- C) The bill will also contain for purposes of customer's questions regarding the customer's bill, a 24 hour customer service number which is 1-800-462-6823.
- D) The Company or the Customer shall advise the other party of any changes to the addresses designated for notices, other communications or billing, by following the procedures for giving notice set forth herein.

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Issued By: Dhruv **Khanna**, VP & General Counsel

DIECA Communications, Inc.
2330 Central Expressway, Santa Clara, CA 95050

5 SERVICE DESCRIPTIONS AND TECHNICAL STANDARDS

5.1 General

Local and HI-CAP, Private Line and Dedicated Services consist of any of the services offered pursuant to this draft tariff, either individually or in combination. Each service is offered independent of the others, unless otherwise noted.

Hi-Capacity (digital services affording bandwidth as specified), Private Line (including the full range of point to point transmissions), and Special Access (customer premise to carrier) services, (hereinafter, collectively, "Dedicated Services") are offered pursuant to the terms set forth herein. Each service is provided independently of the others. Services is offered by the company via its own facilities and/or the facilities of other carriers. Services are offered as oneway or two-way communications services, as specified. Special construction charges may apply in each case. Services may not be available to all customers. Such services may not be accompanied by 411,911 or other voice services. In addition to the charges specified for each service, additional charges may apply for transfers of data per month or at certain times in excess of certain thresholds.

5.2 Service Descriptions and Technical Specifications

The following Dedicated Access Services are offered in this draft tariff:

(44.736 Mbps) DS3 Service (6.3 12 M-bps) DS2 Service DS1 Service (1.5 Mbps)

(Data rates may vary in either direction) Fractional Services

DSO Service (Up to 64 Kbps)

Other services, including fractional point-to-point high speed digital point to point services, may be provided by the Company on an Individual Case Basis (ICB), depending on such factors as length of loops involved, quality of loops and other factors. Fractional Services may be provided using a variety of digital transmission technologies, including as a part of technology and market trials. The availability of a service using a particular technology may be limited in accordance with the Company's policies and practices, which shall not be unreasonably discriminatory.

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During its trials, Company may provide such services to its employees or the general public or to limited categories of customers.

6 RATES AND CHARGES

6.1 Rate Cateeories

Non-recurring and monthly recurring rates apply for each Dedicated Service furnished by the Company. Monthly recurring rates vary according to the time period for which the Customer commits to take the service. Unless otherwise noted, three standard rate elements are used in calculating the monthly recurring rate for each service:

- A) <u>Local Distribution Channel (LDC):</u> This rate element applies to each end-point of a digital channel provided to a Customer.
- B) <u>Interoffice Channel Mileage-Fixed:</u> This rate element applies per digital channel whenever there is mileage associated with the channel; a digital channel has mileage associated with it when the endpoints of the channel are located in geographic areas normally served out of separate local exchange carrier ("LEC" end offices. This rate element applies per circuit endpoint.
- C) <u>Interoffice Channel Mileage-Per Mile:</u> This rate element applies whenever there is mileage associated with the digital channel. The unit rate is multiplied by the number of miles (Interoffice Mileage) between the two LEC end offices serving the geographic areas in which the end points of the channel are located. Interoffice Mileage is determined according to the V&H coordinates method set forth in the NATIONAL EXCHANGE CARRIER ASSOCIATION, INC. TARIFF F.C.C. No. 4. Fractions of a mile are rounded up to the next whole mile before rates are applied.

6.2 Basic and Mixed Vendor Services

DS3, DS2, DS1 and DSO Service may be provided as either Basic or Mixed Vendor Services, depending upon the availability of facilities. Basic Service rates apply when both endpoints of the channel are served by the Company's network. Mixed

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Vendor Service rates when one endpoint of the transmission channel is served by a local exchange carrier's network (Mixed vendor Services are provided via a combination of the Company's facilities and local exchange carrier facilities).

DS3, DS2, DS1 and DSO channels where both endpoints are served by a local exchange carrier's network will be provided at the sole discretion of the Company, on an Individual Case Basis (ICB).

Optional features and functions are also available on an Individual Case Basis, these are:

Cross-Connection Charge: This rate element applies for cross-connections within Company locations between one or more Customer services, or between the services of different Customers.

Multiplexing Charge: This rate element applies where the Customer requests that its services be multiplexed onto higher bandwidth facilities for delivery to the Customer.

DEXCS Port Charge: This rate element applies where the Customer requests that its services be connected to a DEXCS port.

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6.2.1 DS3 SERVICE (44.736 Mbps)

This service consists of a DS3 (44.736 Mbps) capacity digital channel available on a 24 hour per day, 7 day per week basis between two points.

DS3 RATES

RATES	MONTH TO MONTH	1 YR.	3 YR.	5 YR.
Local Distribution Channel (Per Channel)	\$2, 250	\$2,250	\$1,710	\$1,530
Interoffice Channel Mileage (Fixed)	\$750	\$750	\$675	\$600
Interoffice Channel Mileage (Per Mile)	\$39	\$39	\$35	\$31
Installation Rate	\$2,900 I	Per Local 1	Distribution	Channel

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RATES FOR DEDICATED CUSTOMER PREMISE TO CARRIER ACCESS SERVICES SERVICE

DS3 RATES

RATES	MONTH TO MONTH	1 YR.	3 YR.	5 YR.	
Local Distribution Channel (Per Channel)	\$1,140	\$1,140	\$702	\$618	
Interoffice Channel Mileage (Fixed)	\$570	\$570	\$513	\$456	
Interoffice Channel Mileage (Per Mile)	\$57	\$57	\$53	\$45	
Installation Rate	\$800 Per Local Distribution Channel				

<u>VOLUME</u> DISCOUNTS LOCAL CHANNEL DISTRIBUTION

	PER DS3 CH			
# OF DS3'S	MONTH	1 YR.	3 YR.	5 YR.
3 DS3s	\$2,097	\$2,097	\$1,170	\$975
12 DS3s	N/A	N/A	\$844	\$653

NOTES:

Issued:

IN ADDITION TO THE ABOVE LOCAL DISTRIBUTION CHANNEL CHARGES, ADD THE 1) STANDARD FIXED AND PER MILE RATES.

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2) VOLUME DISCOUNTS WILL APPLY WHEN A CUSTOMER ORDERS TWO OR MORE DS3 CIRCUITS BETWEEN THE SAME LOCATIONS AT THE SAME TIME.

6.2.2 DS2 SERVICE (6.3 12 Mbps)

This service consists of a DS2 (6.312 Mbps) capacity digital channel available on a 24 hour per day, 7 day per week basis between two points. No mixed vendor service is available for DS2 service.

STANDARD DS2 RATES

RATES	MONTH TO	1 YR.	3 YR.	5 YR.
Local Distribution Channel (Per Channel)	\$1,150	\$1,150	\$1,035	\$920
Interoffice Channel Mileage (Fixed)	\$570	\$570	\$513	\$456
Interoffice Channel Mileage (Per Mile)	\$29	\$29	\$26	\$23
Installation Rate	\$2.700 I	Per Local	Distribution	Channel

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ORIGINAL

6.2.3 **DS1** SERVICE (1 .544 Mbps)

This service consists of a DS 1 (1.544 Mbps) capacity digital channel available on a 24 hour per day, 7 day per week basis between two points.

DS1_RATES_

RATES	MONTH TO MONTH	1 YR.	3 YR.	5 YR.
Local Distribution Channel (Per Channel)	\$234	\$234	\$211	\$187
Interoffice Channel Mileage (Fixed)	\$54	\$54	\$49	\$43
Interoffice Channel Mileage (Per Mile)	\$14	\$14	\$13	\$11
Installation Rate	\$4.50 Pe:	r Local I	Distribution	Channel

When more than one circuit is purchased at the same time and between the same locations, each additional circuit receives 50% off the above LDC, and the installation rate is \$65 per additional LDC

DS 1 SERVICE (1.544 Mbps)

6.2.4 Fanout DS1 Service

This service consists of up to 28 DS 1 (1.544 Mbps) digital channels, which are aggregated at a Company Node onto a standard DS3 circuit with Interoffice Mileage and a Local Distribution Channel at the terminating end.

Fanout DS 1 's consist of 3 rate elements:

- 1) **DS1_Local Distribution Channels** Rated as a standard **DS1** Local Distribution Channel.
- 2) <u>Central Office Multiplexing</u> Aggregates the 28 DS1's onto DS3 interoffice facilities.

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3) <u>DS3 Interoffice Mileage/Local Distribution Channel</u> - rated as a standard DS3 Circuit.

FANOUT DS1 SERVICE RATES

	NO	N- MONTH TO			MO	NTHLY I	RECURRING			
	RECUF	RRING	MONTH		1 YR.		3 YR.		5 YR.	
SERVICE		ı				1		1		1
CONFIGURATIONS										
DS3/1 Mux @ CC		\$400		\$440		\$440		\$395		\$350
DS3 Channel										
Between a Client		Standard DS3 Rate Schedule								
Premises and a CC		(One	Local	Distri	bution	Channe	l Charg	e appli	.es)	
Node										
	Standard DS1 Rate Schedule									
DS1 Fanout	(One Local Distribution Channel Charge applies to each				h					
Channel			indiv	idual D	S1 Fann	ed out	from No	ode))		

6.2.5 DSO Service

DSO Service is a Digital Transmission Service furnished by the Company at transmission speeds of 2.4 kbps, 4.8 kbps, 9.6 kbps, 19.2 kbps, 56 kbps, 64 kbps, or in multiples of 56 kbps or 64 kbps up to 1.544 Mbps. Such channels will be configured by the Company to transmit digital data at specified data rates or analog signals converted to digital signals.

STANDARD DSO RATES

		MONTHLY RECURRING			
DSO SERVICE	NON- RECURRING*	DSO LOCAL DISTRIBUTION CHANNEL (EACH)	DSO MILEAGE		
2 wire voice arade	\$475 [\$27.00	\$22.00 plus \$0.50 per mile		
4 wire voice grade	\$475	\$42.00	\$22.00 plus \$0.50 per mile		
2.4 to < 56 kbs	\$350	\$45.00	\$4.50 plus \$5.00 per mile		
56 or 64 kbs	\$350	\$45.00	\$4.50 plus \$5.00 per_		

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		mile
\$250 x N with \$3,000 MAX	\$36.00 x N	\$4.50 plus \$5.00 per mile X N

6.2.6 Fanout DSO Service

This service consists of up to 24 DSO digital channels, which are aggregated at a Company Node onto a standard DS1 circuit with Interoffice Mileage and a Local Distribution Channel at the terminating end. There is a minimum 90 day service period for each Hubbed DSO Service.

Hubbed DSO's consist of 3 rate elements:

- 1) <u>DSO Local Distribution Channels</u> Rated as a standard DSO Local Distribution Channel.
- 2) <u>Central Office Multiplexing</u> Aggregates the 24 DSO's onto DS1 interoffice facilities.
- 3) <u>DS1 Interoffice Mileage/Local Distribution Channel</u> Rated as a standard DS 1 Circuit.

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DSO FANOUT SERVICE

STANDARD	non-	MONTHLY RECURRING			
RATE ELEMENTS	RECURRING	MONTH TO MONTH	1 YR.	3 YR.	5 YR.
DS1 Service	Apply Standard DS1 Non- Recurring Charge	Standard DS1 Rate Schedule			le
DS1/0 MUX @ TC Node	\$0	\$248	\$248	\$223	\$198
DSO Service	Apply Appropriate DSO Non-Recurring Charge	Sta	ndard DSO :	Rate Schedu	le

6.2.7 Individual Case Basis (ICB) Arrangements

For special situations, rates for Dedicated Access Services and other specialized services will be determined on an Individual Case Basis (ICB) and specified by contract between the Company and the Customer.

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6.4 Taxes and Surcharges

6.4.1 Customer Responsibility

The Customer is responsible for the payment of any sales, use, excise, access or other local, state and federal taxes, charges or surcharges (excluding taxes on the Company's net income) imposed on or based upon the provision, sale, or use of Company's services.

All such taxes and surcharges shall be itemized on the Company's bills to the Customer.

6.4.2 Excise Taxes and Funds

Company agrees to collect and remit social program excise taxes levied upon all end users of regulated telecommunications services pursuant to Arizona Corporation Commission rules. Company also agrees to collect and remit relevant federal taxes.

6.4.3 Sales. Use. and Excise Taxes

In addition to all recurring, non-recurring, usage or special charges, Customer shall also be responsible for and shall pay all applicable federal, state, and local sales, use, and excise taxes.

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